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continued, although the government alone was responsible for the actual language he proposed using, there was a national agreement as to the character and purpose of the war aims and peace conditions. He was speaking, therefore, not merely the mind of the government, but the mind of the nation and empire.

"We may begin by clearing away some misunderstandings," said the Premier, "and stating what we are not fighting for. We are not fighting a war of aggression against the German people. Their leaders have persuaded them that they are fighting a war of self-defense against a league of rival nations bent on the destruction of Germany. The destruction or disintegration of Germany has never been a war aim with us. Most reluctantly and quite unprepared we were forced to join in the war in self defense, in defense of violated law in Europe.

"The British people have never aimed at the breaking up of the German peoples or the disintegration of Germany. It is not to destroy Germany's great position in the world, but to turn her aside from schemes of military domination to devote her strength to the benefit of the world.

"We are not fighting to destroy Austria-Hungary or to deprive Turkey of its capital or the rich lands of Asia Minor and Thrace, which are predominantly Turkish in population.

"We are not fighting to destroy the German constitution, although we consider a military, autocratic constitution dangerous to the world. Our viewpoint is that the adoption of a democratic constitution by Germany would be the most convincing evidence that her old spirit of military domination had indeed died in this war, and it would be much easier for us to conclude a broad, democratic peace with her. But that is a question for the German people to decide.

"The President of the United States since the belligerents by suggestion that each side should state clearly the aims for which they were fighting. We replied, the Central Powers did not and they have maintained complete silence as to the objects for which they are fighting. Even on so crucial a matter as their intention regarding Belgium they have refused to give any trustworthy indication."

Referring to the proclamation by Count Czernin, the Austro-Hungarian Foreign Minister, that the peace conference on December 25, that it was not the intention of the Central Powers to appropriate forcibly any occupied territory or rob of its independence, the Premier said that was a political independence during the war, but Lloyd George said it was obvious that any scheme of conquest and annexations could be perpetrated within the limits of the refusal of all principles of self-determination here vanish.

"It is impossible to believe that any permanent peace can be erected on such a foundation," said the Premier. "More lip service to the principles of annexation, no indemnity and self-determination is useless."

"The days of the treaty of Vienna are long past. We no longer submit the future of European civilization to the arbitrary decisions of a few negotiators striving to secure by chicanery or persuasion the interests of this or that dynasty or nation. Therefore, government with the consent of the governed must be the basis of any territorial settlement. For that reason alone, unless treaties be upheld, it is obvious that no treaty of peace can be worth the paper on which it is written.

"The first requirements always made by the British and their Allies have been the complete restoration, political, territorial and economic, of the independence of Belgium and such reparation as can be made for the devastation of its towns and provinces. It is no demand for war indemnity, but insistence that before there can be any lasting peace this great breach of public law in Europe must be repaired, and so far as is possible, repaired.

"Reparation means recognition. Unless international right is recognized by insistence on payment for injury done in defiance of its canon it can never be a reality.

"Next comes the restoration of Serbia, Montenegro and the occupied parts of France, Italy and Rumania. The complete withdrawal of alien armies and reparation for injustice done is the fundamental condition of a permanent peace.

**Stand by France in
Claims for Alsace**

"We mean to stand by the French democracy to the death in the demand they make for a reconsideration of the great wrong of '71, when Alsace-Lorraine was torn away. This sore has poisoned the peace of Europe for half a century, and until cured healthy conditions cannot be restored."

The Premier said he would not attempt to deal with the question of the Russian territories now in German occupation. The Russian policy since the revolution had passed through so many phases that it was difficult to judge the suspension of judgment, on what the situation would be when the terms of European peace come to be discussed. Referring to the facts that the war was started by Russia's decision to protect Serbian

independence, and that the present rulers of Russia had entered into separate peace negotiations, the Premier said: "I am indulging in no reproaches. I am stating facts to make it clear why Britain cannot be held accountable for decisions taken in her absence, and concerning which she was not consulted or her aid invoked.

"Nobody who knows Prussia and her designs toward Russia can doubt her ultimate purpose. The catastrophe she uses to delude Russia, she does not mean to surrender any of the Russian provinces and cities now occupied. Under one name or another, they will henceforth be part of the Prussian dominions, ruled by the Prussian sword, and the rest of the Russians will be enticed or bullied into complete economic and ultimate political enslavement.

**People Alone Can
Save New Russia**

"Democracy in this country will stand to the last by the democracies of France and Italy. We should be proud to fight to the end side by side with the new Russian democracy. So would America, France and Italy. But if the present rulers of Russia act independently we have no means to arrest the catastrophe. Russia can only be saved by her own people.

"An independent Poland, comprising all genuinely Polish elements who desire to participate, is an urgent necessity for the stability of Western Europe.

"Though we agree with President Wilson that the breaking up of Austria-Hungary is no part of our war aims, we feel that unless genuine self-government on true democratic principles is granted those Austro-Hungarian nationalities who have long desired it it is impossible to hope for the removal of those causes of unrest in that part of Europe which have so long threatened its general peace.

"On the same grounds, we regard as vital the legitimate claims of the Italians for union with those of their own race and tongue. We also mean to press that justice be done to the men of Rumanian blood and speech in their legitimate aspirations. If these conditions were fulfilled, Austria-Hungary would become a power whose strength would conduce to the permanent peace and freedom of Europe, instead of the pernicious Prussian military autocracy.

"Outside of Europe we believe that the same principles should be applied.

**Palestine Entitled
To Recognition**

"While we do not challenge the maintenance of the Turkish Empire in the Near East, we do challenge the passage between the Mediterranean and Black Sea being internationalized and neutralized—Arabia, Armenia, Mesopotamia, Syria and Palestine are, in our judgment, entitled to recognition of their separate national conditions. What the exact form of that recognition should be need not here be discussed, beyond stating that it will be impossible to restore to the former sovereignty the territories to which I have referred.

"There has been said about the arrangements we have made with our allies on this and other subjects. I can only say that, as new circumstances, such as the Russian collapse, have changed the conditions in which the arrangements were made, we are always ready to discuss them with our allies.

"Respecting the German colonies, they are held at the disposal of a conference whose decision must have primary regard to the wishes and interests of their native inhabitants. The governing consideration in all these cases must be that the inhabitants shall be placed under control of an administration acceptable to themselves, one of whose main purposes will be to prevent their exploitation for the benefit of European capitalists or governments."

The chiefs and councils, said the Premier, were competent to consult with and speak for their tribes, and to separate their wishes and interests regarding their disposal.

"Finally," continued the Premier, "there is no reparation for injuries done in violation of international law. The peace conference must not forget our seamen and the services they have rendered and the outrages they have suffered for the common cause of freedom."

"One regrettable omission we noticed in the Central powers' proposals. We believe that a great attempt must be made to establish a great international organization as a means of settling international disputes. War is a relic of barbarism, and as law has succeeded violence in the settlement of individual disputes, so it is destined to settle national controversies.

**Three Conditions
Must Be Fulfilled**

"We are fighting for a just and lasting peace," declared the Premier in conclusion. "Three conditions must be fulfilled. Firstly, the sanctity of treaties must be re-established; secondly, territorial settlement must be based on the right of self-determination or the consent of the governed; lastly, the creation of an international organization to limit armaments and diminish the probability of war."

"To secure those conditions the British Empire is prepared to make even greater sacrifices."

Arthur Henderson, leader of the Labor party in the House of Commons, to-night stated it was his opinion that British labor would welcome Premier Lloyd George's statement of the aims for which Great Britain is fighting in the world war. "In some respects," Mr. Henderson said, "it embodies the principles and the objects which labor, at our recent conference, defined as essential to the war aim."

Labor stands for the absolute freedom and integrity of Belgium, Serbia, Rumania and Montenegro, and for the establishment of a firm basis of a league of nations and peoples for disarmament and the prevention of future wars, he pointed out.

"These things," Mr. Henderson continued, "constitute our irreducible minimum and, if we secure this, we desire the fullest resumption of international intercourse and the complete repudiation of all attempts at an economic war or boycott. So far as the Premier's statement concerns these principles we welcome it, and we are convinced that no other result could be consistent with the expressed desire for peace which, as he says, will not contain within it the seed of future wars."

**Labor Welcomes Main
Russian Principles**

British labor, Mr. Henderson added, warmly welcomes the main principles laid down by the Russian government, but it rejects completely as the Bolsheviks themselves any idea of making a national or imperial profit out of the war.

"In essentials we agree with the Bolsheviks, and so, to judge from his published statement, does President Wilson," Mr. Henderson declared. "We now are making every effort to ar-

How Teuton and Allied Terms Differ

Some of the main differences in the Allied and Teuton positions, as defined by Lloyd George and Count Czernin, Austrian Premier, are as follows:

ALLIED DEMANDS

Complete political restoration of Belgium and the fullest possible reparation for damages to towns and cities.

To deal on peace only with rulers who can be trusted, as previously stated by President Wilson.

The "reconsideration" of the wrong done to France in taking away Alsace-Lorraine in 1871.

An independent Poland "an urgent necessity."

Natives in German colonies to be placed under no outside domination unacceptable to themselves and to be adequately protected against unfair exploitation.

CENTRAL POWERS' DEMANDS

Political restoration of Belgium (with reservations), but no reparation for damages by the invaders.

That the Entente Allies deal with the present rulers of the Central Powers and not attempt to see that the German people's voice is heard.

No guarantee as to Alsace-Lorraine, this question being determined by Germany alone after the war.

Poland and large portions of Russia's western provinces as states under Teuton domination.

Unconditional return of the German colonies. This "Germany cannot renounce in any circumstances."

**Bolshevik Peace Methods
Kill Secret Diplomacy**

By Frank W. Getty

LONDON, Jan. 5.—The Bolsheviks have dealt a knockout blow to secret diplomacy. Whether they have accomplished anything else, they have undoubtedly fixed the form which future peace negotiations will take. A good evidence of this is the widespread satisfaction expressed by the entire British press over the manner in which the Russian delegation at Brest-Litovsk dragged the German proposals into the sunlight, thereby with a single stroke proving the falseness of the German pretensions more effectively than could years of Allied propaganda.

The shrewdness displayed by Joffe's delegation in outmaneuvering von Kuehlmann and other leading diplomats of the Central Powers, together with the continual indications of resourcefulness with which Trotsky is meeting changing conditions inside Russia, unquestionably are affecting Allied opinion favorably.

The persistent talk of Allied, or at least British, recognition of the Lenin government is a sign of this, for such a suggestion would not have been tolerated a week ago.

What is more probable than the immediate official recognition of the Lenin government is some sort of working agreement pending the restoration of order in Petrograd. The departure of Buchanan from Petrograd has rendered such action possible. While there was there in the capacity of ambassador he naturally was unable to deal with anything less than a recognized government.

Litvinoff, recently appointed Ambassador to Great Britain, has announced he considers himself accredited by the Bolsheviks to the British people, not the government.

There is a new and interesting light thrown on one feature of the Russian situation by certain dispatches to-day from Petrograd, which allege efforts are being made by Russian conservative elements to establish communications with Austro-German delegations.

These reports would seem to confirm warnings voiced by those who with intimate knowledge of Russian affairs predicted at the time of the Korniloff revolution that the greatest danger of a separate peace was that it was a way to the success of the reactionaries.

Such disclosures, whether confirmed or not, are likely to increase the disposition of the Allies to deal as far as is necessary with the Maximalists, since one of the main objections to them from the beginning was their predilection for a separate peace.

range another inter-Allied conference as a preliminary to a complete conference of the whole labor movement of the world. We desire nothing more than to have a fresh and the fullest joint discussion with the representatives of labor from across our Allies, then with neutrals and our present enemies.

"I make one urgent request of our comrades in Russia. If they reach any basis of agreement with the Central Powers for general peace, I ask them to insist that the Central Powers shall submit this basis for consideration to the governments and peoples concerned."

"They can then depend on it," Mr. Henderson concluded, "that the representatives of British labor will do all in their power to see that they receive a clear, candid and reasoned reply."

The proceedings were private, neither the public nor members of the press being admitted, and after the meeting the delegates dispersed to their homes, mostly in the north, for consultation with their constituents. They will reassemble for the conclusion of the negotiations with the Minister of National Service over the proposed extension of recruiting, in which the government wishes to include certain classes of skilled workers, to whom exemption was promised when the conscription bill was adopted.

**Premier May Have Acted
For All Allies in Speech**

In his recent letter to the congress Premier Lloyd George said he could not further define Great Britain's war aims without consulting with the nation's allies.

In yesterday's address, however, he did not mention having taken up the question of aims with representatives of the Allies, although he detailed discussions with leaders of different parties in Great Britain and with the governments of overseas dominions, and said he would gladly have taken up the matter with prominent Irishmen had they not been at present absorbed in the solution of Ireland's own problems.

**Open Dardanelles
For Russian Ships,
Turkey's Peace Offer**

LONDON, Jan. 5.—Free passage of the Dardanelles for Russian ships, Russian evacuation of Turkish territory and the demobilization of the Russian Black Sea fleet are provided for in the draft of Turkish peace presented to Russia, according to an Exchange Telegraph dispatch from Petrograd. Turkey, it is provided, is to retain her active army in consequence of the continuation of war against the Entente.

The main points in the draft presented by the Turkish delegates are given in the dispatch as follows:

1. Frontier lines to remain as before.

2. Within two years of the conclusion of peace the contracting parties shall conclude a convention respecting sea trade and consulates.

3. War losses incurred by individuals to be refunded.

4. Guarantees to be given for the territorial integrity and development of the Empire.

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**Germans Seeking
Secret Pact With
Trotzky's Foes**

**Overtures Made to Opponents of Bolsheviks in
Assembly, Is Report**

**Ukrainians Receptive
Ready to Strike Bargain With
Teutons—Allied Recognition Denied**

LONDON, Jan. 5.—Special dispatches from Petrograd report attempts by the German delegates at Petrograd to make some sort of clandestine agreement with the members of the Constituent Assembly.

The correspondent of "The Daily News" says that the Germans are trying through a neutral diplomat to get into communication with members of the Assembly. Their object is obvious, he adds, as the parties opposed to the Bolsheviks are quite ready to make peace and to tell the people that the Bolsheviks promised them peace, but gave them war.

The version of the correspondent of "The Daily Mail" is that the Germans have been putting pressure, direct or indirect, upon the government in connection with the summoning of a Constituent Assembly. The Germans have been making it pretty obvious that they are unwilling to recognize the Bolsheviks as representatives of a majority of the Russian people or even as temporary trustees of the sovereign power.

"The Daily News" dispatch expresses fear that Germany will find the Constituent Assembly more amenable than the Bolsheviks in regard to making peace, and quotes Foreign Minister Trotsky as saying that the bourgeoisie are prepared to give away half the country if they can obtain control of the government of the other half.

Regarding the attitude of the Ukrainians toward the Germans, "The Daily News" says that the Rada is willing to strike a bargain with the Germans, but if the Allies fail to help the Ukrainians or adopt a policy of compromise with the Bolsheviks, the Rada may have to yield and the Cossacks, too.

In reference to the report that the Allies are shortly to recognize the Bolshevik government and that Great Britain will accept the appointment by the Bolsheviks of Maxim Litvinoff as Russian Ambassador in London, "The Times" says it has reason to believe no change has occurred in the attitude of the British government. Moreover, the government has received no intimation of M. Litvinoff's appointment.

**German and Austrian
Peace Envoys Agree**

AMSTERDAM, Jan. 5.—The Socialist newspaper, "Vorwärts," of Berlin, says that Dr. Eduard David, the Socialist Russian, last night at the Hague failed to help the Ukrainians or adopt a policy of compromise with the Bolsheviks, the Rada may have to yield and the Cossacks, too.

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**Lithuania Now
Asks Independence**

WASHINGTON, Jan. 5.—Delegates of the various Lithuanian parties at Stockholm have issued a proclamation demanding independence for Lithuania. According to an official Lithuanian received here to-day the delegation insists that Lithuania be occupied by its own army and that the Lithuanian parts of Russia must be joined to the new state.

The promise is made, the dispatch states, that the Lithuanian seaports will be freely open to the commerce of countries that are warring against the sea, notably Russia, if she should be so situated.

Another order, for 12,000,000 shells, was furnished out through the Canadian Car and Foundry Company, and finally was completed after innumerable delays, when an explosion and fire in the company's plant at Kingsland, N. J., destroyed the last 500,000 shells last January. On this contract there was a mutual log. The Russian government, which previously had obtained the same ammunition in Europe at \$8 per shell, paid \$16 here, and then had "advanced" much of the funds for manufacture. Only a week ago the car and foundry company drew a check for \$550,000 to square itself with the commission.

**Bolshevik Order 70,000,000 Shoes
Commission Here Quits in Despair**

**When Rival Ministers Send Total Demand for 35,000,000
Pairs, Buyers Here Throw Up Their Hands—
Only \$115,000,000 Short**

In Petrograd the Bolshevik statesman who serves as Minister of Railways and Communications enjoys a chuckle at odd moments by reason of a surprise which he has prepared for his comrades of the government. All Russia is badly in need of shoes, and employees of the Department of Railways and Communications shall be the first to have them. Quite secretly their big brother, the minister, has ordered no less than five million pairs from America.

The Minister of Marine smiles, too. His own private arrangement to replace the worn-out shoes of his sailors was made two weeks since. The five million pairs for which he has cabled to America will be more than plenty.

But the Ministers of Railways and Communications and of Marine have no monopoly on the spirit of the Russian Christmas that approaches. Shoes also have been on the minds of the Minister of War, the Minister of the Interior and the Minister of Agriculture. Each has placed an order, acting on his own initiative and keeping his own counsel, for exactly five million pairs.

Within a single week—week before last—four requisitions for shoes of different kinds poured in to the great headquarters of the Russian Supply Commission here in New York. They came at the rate of one a day and in strict sequence, the requisition of the Minister of Railways and Communications leading, they have been passed on for action into the hands of the officials who empty the wastebaskets in the Flatiron Building.

The supply commission is through. Down to its last little \$25,000,000 in hard cash, with \$140,000,000 to settle in outstanding claims, its bankers finished with banking, and Uncle Sam gazing studiously out the window, the commissioners are devoting all their energies to closing their books and getting the shop up and running.

As a matter of fact the commission has not been a going concern since November last. That month saw the departure of the last two supply ships to sail for Russia. Two more, loaded chiefly with shoes ordered long before the Bolshevik ministers felt the urge of their common impulse, are lying in the harbor. There they will stay indefinitely. The commission tactfully explains that the vessels are without coal.

Officially the commission has nothing to say concerning the state of its finances or its plans of settlement. The 300-odd employees in its offices, which are scattered over the better part of eight floors in the Flatiron Building, speak a peculiar, one-sided English in which all words shape themselves into questions, and there are no answers. General Khrabroff, president of the commission, inhabits a background guarded by a red-haired Bolshevik with a brogue, whose orders are to let no one pass.

How deeply the supply commission has dipped into the \$100,000,000 credit established with the United States after the fall of the empire thus far must remain for the time a matter of doubt. Some say the whole amount has been used, along with \$75,000,000 advanced by the Morgans.

With the commission it has been hard luck almost from the first and millions have been spent upon what there has been no return. Not the least of its troubles have resulted from the kaleidoscopic political changes back home, which have kept the commissioners in never-ending indecision concerning whose orders to obey and whose to disregard.

General Khrabroff himself is the appointee of Prince Lvoff, who held the reins in Russia for four months after they were taken away from the Czar. Lvoff has fallen, yet Khrabroff has been permitted to stay. Kerensky while in power sent a couple of his own agents to sit with the commission, and recently Bolsheviks have put in appearance with credentials from Lenine, Trotsky & Co.

The Russian shoe contracts have all been cleared up by this time. One calling for 5,000,000 3-inch projectiles was furnished out through the Canadian Car and Foundry Company, and finally was completed after innumerable delays, when an explosion and fire in the company's plant at Kingsland, N. J., destroyed the last 500,000 shells last January. On this contract there was a mutual log. The Russian government, which previously had obtained the same ammunition in Europe at \$8 per shell, paid \$16 here, and then had "advanced" much of the funds for manufacture. Only a week ago the car and foundry company drew a check for \$550,000 to square itself with the commission.

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